



WISCONSIN BADGERCARE

Fact Sheet

Health Insurance Premium Payment (HIPP) Program

The Wisconsin Department of Health and Family Services (DHFS) administers the Health Insurance Premium Payment (HIPP) Program. In some circumstances, the DHFS will enroll a BadgerCare family in an employer sponsored family health plan offered by the employer of a BadgerCare family member. This is called the Health Insurance Premium Payment program or HIPP.

HIPP will pay the family's monthly premium, coinsurance and deductibles associated with the family health plan and any BadgerCare covered services not covered by the family health plan through BadgerCare fee for service.

BadgerCare families are required to pay a small copayment for services received as fee for service, unless the family member is:

- Under 18 years old,
- Receiving pregnancy related services, or
- Enrolled in a BadgerCare HMO.

BadgerCare families eligible for the HIPP program will be enrolled if all of the following conditions are met:

- A BadgerCare family member is employed and the family member's employer offers an employer-sponsored family health plan. The health plan must be a major medical plan that covers at least physician services.
- Family members are not currently covered by any employer-sponsored family health plan.
- The employer pays between 40% and 80% of the cost of the monthly premium for an employer-sponsored health plan.
- The cost of coverage for the family, which includes the employee's share of the premium, coinsurance, deductibles and BadgerCare services not covered by the employer health plan is less than the cost of BadgerCare HMO coverage for the family.

Applicant Responsibilities

When families apply for BadgerCare at their local county/tribal human or social services agency, they will be sent an Employer Verification of Health Insurance form that requests information regarding employer-sponsored health insurance. It is the employed family member's responsibility to take the form to their employer and ask the employer to complete and sign the form.

The Employer Verification of Health Insurance form must be returned before BadgerCare eligibility can be determined.

State process to determine HIPP eligibility

If the employer reports that the family does not have access to health insurance, the family will begin the BadgerCare HMO enrollment process (if the family is in a BadgerCare HMO service area), while receiving fee-for-service coverage.

If the employer reports that the family has access to health insurance for which the employer pays less than 80%, the DHFS will send a HIPP Employer Verification of Health Insurance Coverage form to the employer(s). This form is used to gather additional information about the type of employer-sponsored health plan offered, the cost of the plan and employer's share of the premium.

If the employer indicates that the family has access to health insurance the BadgerCare family will be placed in BadgerCare fee-for-service coverage while the HIPP process proceeds. The BadgerCare HMO process is put on hold until the DHFS does the necessary research and follow-up to decide whether the BadgerCare family should be enrolled in HIPP.

DHFS will determine if the family is eligible for the HIPP program as follows:

- If family members were covered by the employer plan in the last six months, or the employer plan is not a major medical plan, or the employer does not pay between 40% and 80% of the cost of the monthly premiums, the family is not eligible for the HIPP program. The family will then be enrolled in a BadgerCare HMO.
- If the family meets the preliminary criteria for the HIPP program, the state will determine if it is cost-effective to pay the employer-sponsored health insurance premium, deductibles and co-insurance.
- If the state determines that it is not cost-effective to pay the employer-sponsored health insurance premium, the family is not eligible for the HIPP program and the family will be enrolled in a BadgerCare HMO (if the family is in a BadgerCare HMO service area).
- If the state determines that it is cost-effective to pay the employer-sponsored health insurance, the family is eligible for the HIPP program, and is enrolled in the employer-sponsored health insurance plan.

If Eligible for the HIPP Program

The state will inform the BadgerCare family that they are eligible for the HIPP program and that the state will pay the employee's share of the employer-sponsored health insurance premium.

BadgerCare families will be enrolled in the employer-sponsored health insurance plan as soon as possible. State law allows a HIPP eligible BadgerCare family to be enrolled in employer-sponsored health insurance without waiting until the next open enrollment period.

If the employer offers two or more cost-effective health insurance plans, the family will be asked to choose the health insurance plan they prefer. State staff will provide information to assist the family in choosing a health plan.

If a BadgerCare family is enrolled in an employer-sponsored health plan, BadgerCare will pay for any BadgerCare covered services not covered under the employer-sponsored health plan.

Note: BadgerCare families eligible for HIPPA are required to enroll in their employer-sponsored health insurance plans or they will lose BadgerCare eligibility.

Paying the Employer-Sponsored Health Insurance Premium

The state will work with the employed family member and the employer to set up the most convenient way to pay the employee's share of the employer-sponsored health insurance premium. The options are:

- The premium is paid by the employer after wage withholding from the employee. The employee will send a copy of his/her check stub that shows the health insurance premium deduction. After the state receives the check stub, it mails a check to the employee for his/her share of the cost of the employer-sponsored health insurance premium.
- The premium is paid directly by the employer without any wage withholding from the employee. The state will mail a check to the employer for the employee's share of the employer-sponsored health insurance plan.
- The premium is paid directly to the insurance company by the state. The state will mail a check to the insurance company for the employee's share of the employer-sponsored health insurance plan.

For more information:

- Call Recipient Services at 1-800-362-3002 (TTY and translation services are free of charge.).
- Contact the county/tribal social or human services agency in your county to apply by telephone, mail or in person.
- Visit the Medicaid/BadgerCare web site at <http://dhfs.wisconsin.gov/badgercare/index.htm> or <http://dhfs.wisconsin.gov/medicaid1/index.htm>.

Information provided in this document is general. For more detailed information on BadgerCare or the Health Insurance Premium Payment Program, please contact your local county/tribal social or human service agency.

The Department of Health and Family Services is an equal opportunity employer and service provider. If you have a disability and need to access this information in an alternate format, or need it translated to another language, please contact 1-608-266-3356 (voice) or 1-608-266-2555 (TTY). All translation services are free of charge.

For civil rights questions call 1-608-266-9372 (voice) or 1-608-266-2555 (TTY).